

**LEGISLATIVE SERVICES AGENCY
OFFICE OF FISCAL AND MANAGEMENT ANALYSIS**

301 State House
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FISCAL IMPACT STATEMENT

LS 6238

BILL NUMBER: HB 1851

DATE PREPARED: Nov 15, 1998

BILL AMENDED:

SUBJECT: Parental consent for child to work.

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FUNDS AFFECTED: X **GENERAL**
DEDICATED
FEDERAL

IMPACT: State & Local

STATE IMPACT	FY 1999	FY 2000	FY 2001
State Revenues			
State Expenditures		1,260	1,260
Net Increase (Decrease)		(1,260)	(1,260)

LOCAL IMPACT	CY 1999	CY 2000	CY 2001
Local Revenues			
Local Expenditures	21,992	43,983	43,983
Net Increase (Decrease)	(21,992)	(43,983)	(43,983)

Summary of Legislation: This bill has the following provisions:

(A) It provides that the parents of a child who has withdrawn from school to work may revoke their consent to employment and withdrawal of the child from school. (B) It provides that upon withdrawal of parental consent, the child must return to school. (C) It provides that a child's parent (or parents in the case of a child whose parents have joint custody after a divorce or dissolution of marriage decree) must consent in writing in order for the child to receive an employment certificate. (D) It requires the issuing officer to send a copy of the employment certificate to the parents. (E) It requires the issuing officer to notify the child's parents when an employment certificate has been terminated and to receive parental consent prior to issuing any subsequent certificates. (F) It requires the employer to notify the issuing officer and the parents if the child's employment terminates. (G) It requires the department of labor or the Indiana state board of education to notify the issuing officer, the child's parents, and the child's employer when the certificate is revoked. (Under

current law, the Department of Labor notifies in writing the issuing officer of the school corporation and the child's employer but not the parent.) (H) It requires parental consent for a child to appeal the denial of an employment certificate. (I) It provides that if the parents of a child request the issuing officer to revoke a child's employment certificate, the issuing officer must revoke the certificate. (J) It requires an issuing officer who revokes an employment certificate to send written notice of the revocation to the child's parents.

Effective Date: July 1, 1999.

Explanation of State Expenditures: Provision G would increase the costs to either the Department of Labor (DOL) or the State Board of Education for the costs of notification by an estimated **\$1,260**. DOL reports that 454 employment certificates were revoked in FY 1998 because the employee was in a prohibited occupation. The estimated costs for the Department of Labor is based on an average cost of \$2.77 for each notification sent in registered mail.

Explanation of State Revenues:

Explanation of Local Expenditures: Provision D would likely increase costs to school corporations if they are required to notify parents of children who have been issued employment certificates. Based on the reported number of employment certificates issued during FY 1998 of 118,873 and assuming school corporations would mail only one notification per employment certificate, the following estimates of minimum costs to school corporations were developed. Since some of these children are likely to have parents who have joint custody because of a divorce or dissolution of marriage decree, the actual costs would likely to be higher.

<u>Calendar Year</u>	<u>Certificates Issued</u>	<u>Photocopying Costs at 5 cents</u>	<u>Postage Costs at 32 cents</u>	<u>Total Costs</u>
1999*	59,437	\$2,972	\$19,020	\$21,992
2000	118,873	\$5,944	\$38,039	\$43,983
2001	118,873	\$5,944	\$38,039	\$43,983

* CY 1999 reflects a six month estimate due to the effective date of this bill.

Provision E would likely increase costs to school corporations. The number of employment certificates that are reissued after a child's employment was terminated was not available.

Provision J would likely increase costs to school corporations. The number of employment certificates that are revoked by the issuing officer are not known.

Explanation of Local Revenues:

State Agencies Affected: Department of Labor.

Local Agencies Affected: School Corporations.

Information Sources: Michelle Gibson, Department of Labor.